

Articles

Keeping Warm and Dry: The Policy Response to the Struggle for Shelter Among Canada's Homeless, 1900-1960

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Résumé/Abstract

Pendant les six premières décennies du 20^e siècle, le filet protecteur de la sécurité sociale mis en place pour protéger les Canadiens de l'indigence avait de nombreux trous. Malgré le fait que l'ampleur de la misère ait été bien connue, les attitudes conservatrices affichant des préjugés à l'endroit des pauvres ont, tout au cours de ces années, empêché le développement d'une solution collective efficace aux problèmes de pauvreté et de conditions de logement inadéquates. Ce texte étudie l'évolution de l'État-providence au cours de trois périodes. Il permet de constater que, même si un système de sécurité sociale, de pensions de vieillesse, d'allocations familiales et d'assurance chômage était apparu à la fin de la Deuxième Guerre mondiale, sa création résultait de calculs politiques opportunistes plutôt que d'un effort bienveillant pour réduire le nombre de sans-abri.

During the first six decades of the 20th century, the social security safety net designed to protect Canadians from destitution has seen many holes. Despite the well documented extent of misery, conservative attitudes of prejudice against the poor through these years prevented the development of an effective community response to poverty and substandard housing conditions. This paper examines the evolution of the Canadian welfare state over three periods. It finds that while a social security system of old age pensions, family allowances and unemployment insurance had emerged by the end of the Second World War, its creation was due more to opportunistic political calculations, than a benevolent effort to reduce homelessness.

The families occupying these shelters are those who have been hardest hit by the housing shortage. They are people who, through no fault of their own, have found themselves without a place to live, or living in impossible quarters such as cellars, chicken coops, garages, etc. . . . Looking at the general picture of the Emergency Shelter Program, we find . . . there is the successful project . . . where families have . . . been kept warm and dry and given sufficient space and essential facilities so that a good standard of health and morale has been maintained. These families have not been made so comfortable that they have lost their desire to search for satisfactory private accommodation. . . . Projects which might be considered

failures . . . have provided four walls and a roof, but have made no contribution towards normal healthy living for the tenants.

May 1947 Memo from David Mansur,
CMHC President, to C.D. Howe,
Minister of Reconstruction and Supply.¹

The best test of the strength of any social security safety net is the degree to which it prevents the worst kind of destitution — homelessness. In an often quoted passage from his *Religion and the Rise of Capitalism*, R.H. Tawney notes that "there is no touchstone . . . which reveals the true character of a social philosophy more clearly than the spirit in which it regards the misfortunes of those of its members who fall by the way."² To be homeless is to experience one of the

more devastating forms of personal and social deprivation. To have homeless people in twentieth century Canada raises many questions about the nature of the policy response to social welfare and housing problems. For homelessness to emerge as a major issue in the 1980s raises even further questions.³

This paper reviews the different forms homelessness has taken during the first six decades of this century and examines the public policy response. Homelessness is defined here as

the absence of a continuing or permanent *home* over which individuals or family groups have personal control and which provides the essential needs of shelter, privacy and security at an affordable cost, together with ready access to social and economic public services.⁴

The homeless have never been a homogeneous group. The stereotype of the indigent vagrant who has opted out of society and into a bottle is a misleading caricature. Canada's homeless have been from all walks of life and all age groups. The groups most commonly homeless or at risk of becoming homeless have been the unemployed, the underemployed, the elderly, children, single parent families, the physically and mentally disabled and, after the wars, veterans and their families.

Many social welfare and housing programs have been proposed throughout this century. A careful examination of these proposals and the reasons why some were adopted and others ignored, contributes to an improved understanding of the political dynamics of the social and housing policy-making process in Canada. Institutional arrangements governing the distribution of income and wealth and the allocation of housing resources change very slowly. Even in the face of widespread and well documented human misery there was extreme reluctance on the part of those in power, Canada's economic, political, bureaucratic and religious elite, to alter the allocation of resources to any significant degree.

1. AVOIDING INCOME SUPPORT AND CLOSING LODGING HOUSES, 1900-1930

The only significant block laid in the foundation of the Canadian welfare state prior to World War One was the passage of legislation for workmen's compensation by most provinces. Attitudes towards the poor and explanations of poverty in the first two decades of this century changed very little from those of the nineteenth century. Social thinkers saw poverty as a product of character rather than the social and economic environment. They explained poverty in moral rather than economic terms and attributed it to some personal failing or character flaw. The result was an absence of public responsibility for the poor. The little assistance that

existed was social Darwinist in style and punitive in intent. In the early years of this century, municipalities and private charities generally provided public assistance on an emergency rather than a continuing basis and in kind, rather than in cash.⁵

The delay in the evolution of Canada's social welfare system relative to most other western nations cannot be blamed on any lack of knowledge about the nature and extent of poverty. In 1897, for example, Herbert Ames published his extensive study of Montreal's "ordinary urban conditions," based on a house-to-house survey with a particular focus on family incomes and housing conditions. He identified "insufficient employment" opportunities as the chief cause of poverty among the "submerged tenth" and advocated the introduction of employment programs, higher standards in house construction and sanitation, and the construction of low rental accommodation. Ten years earlier, the federal Royal Commission on the Relations of Labour and Capital collected evidence on the strategies used by working people to provide themselves with the necessities of daily life in an urban industrial society in the almost total absence of social security programs. The "Labour Commission" asserted that the high cost of rental accommodation and ever increasing rents imposed "a serious burden on . . . people struggling for a living" and concluded that "it is undeniable that workers are badly lodged in houses badly built, unhealthy and rented at exorbitant prices."⁶

Yet, well into the twentieth century, conservative attitudes and prejudice against the poor prevented the development of an effective community response to poverty and substandard housing conditions. The values of individualism and free enterprise flourished. Typical of the view of poverty even among charitable organizations is the following extract from the 1912 report of the Associated Charities of Winnipeg:

Unfortunately, the large majority of applications for relief are caused by thriftlessness, mismanagement, unemployment due to incompetence, intemperance, immorality, desertion of the family and domestic quarrels. In such cases the mere giving of relief tends rather to induce pauperism than to reduce poverty.⁷

Authorities often charged the homeless with vagrancy and treated them as criminals. Without a public old age pension program, the elderly who did not have families to support them formed an especially neglected group. The 1891 Ontario Royal Commission on the Prison and Reformatory System complained that local jails sheltered large numbers of homeless elderly charged with vagrancy because they had no place else to go. While many other industrialized countries adopted old age pension programs around the turn of the century (Germany 1889, Denmark 1891, New Zealand 1898, Australia 1901, and Britain 1908), the Canadian government did not pass its Old Age Pension Act until 1927.⁸

The severe depression of 1913-1915 deflated some of the heady optimism of the “Wheat Boom” or “Laurier Prosperity” but failed to encourage innovative social security policies. A royal commission established by the Ontario government to inquire into the unemployment crisis recommended the establishment of “industrial farms” along the lines of penitentiaries to extract labour from the unemployed. Typical of the booster spirit of the era it also encouraged land settlement in the northern Ontario forest as going “some distance towards abolishing unemployment in Canada.”⁹

Reformers who did attempt to move toward income support as the basis of social welfare policy in Edwardian Canada encountered a determined resistance from those who believed that the solution to social ills lay in greater regulation of the lives of the poor or in institutional care. This attitude was most apparent in a leading crusade of the period, the “saving” of Canadian children. Many child welfare advocates criticized the notion that the care of children could be improved by assuring adequate income to parents. The influential reformer Carrie Derrick told the National Council of Women that cash assistance would “simply encourage idle, shiftless and irresponsible men and women to marry.” Her colleague, Elizabeth Shortt, attacked the proposal to provide income support to single parent mothers because it would place a “premium on degraded women getting rid of their husbands.”¹⁰

Regulatory zeal was most damaging in the area of housing. Reformers’ activities encouraged the destruction of much of the limited stock of low cost housing in the rapidly expanding urban centres and actually aggravated the problem of homelessness. In 1911 the release of a housing study written by Toronto’s medical health officer, Charles Hastings, created a great sensation. According to Hastings’ own admission in later years, the response of the City of Toronto helped cause the housing problem to “become greatly aggravated.” The City closed some 500 cellar dwellings, placarded 390 homes, and demolished 100 houses. By 1915, it had shut another 1,007. More expensive dwellings, factories and commercial buildings replaced this housing rather than accommodation affordable to the previous residents and other low income people. Hastings enthusiastically told the Toronto Board of Health that he condemned “a row of places on King Street occupied by foreigners” and replaced them with more “pretentious dwellings.”¹¹

Ethnic and racial minorities experienced the harshness of the regulatory approach to housing problems. With the aid of the Dominion Police, Hastings boasted he had “succeeded” in deporting “the whole” of the Toronto gypsy population whom he viewed as prone to “sleeping and living like animals.”¹² Dr. Charles Hodgetts, head of the public health committee of the federal Commission of Conservation, complained that Canada had been flooded with foreigners who were “willing to live like swine.”¹³ In Vancouver and New Westminster public health inspectors

boasted they had solved the city’s housing problems “by dint of stern repression and frequent prosecutions.”¹⁴ In Port Arthur, a public health administrator complained that the city’s immigrant population looked upon his colleagues as “as their natural enemies, whose aim and desire is to interfere and to make life unpleasant for them.”¹⁵ Hamilton’s public health officer, James Roberts, called for a corps of inspectors to go about systematically “looking for trouble.” Roberts believed that only the “drunken, lazy and improvident” experienced homelessness.¹⁶

The attitudes of the era produced homelessness in a most cruel manner through the midnight inspections of lodging houses. Unexpected raids forced roomers onto the street in the middle of the night if city inspectors found an over-crowded house. During one such raid in Toronto, they discovered fifty men lying on the floor of a single dwelling. A roomer evicted from the “Workingman’s Lodgings” of Toronto complained that it was better to sleep there “than on the streets at night, or in the Police Station.”¹⁷

Sympathy for families suffering the deaths of fathers fighting overseas in World War One helped to encourage a more generous attitude toward the introduction of income support for single parent mothers. By war’s end, many provinces had passed legislation for mothers’ pensions, establishing a safety net for a significant group of Canada’s poor.

The pressure of two Independent Labour Party Members of Parliament and the Canadian labour movement in general helped to extend this safety net to the elderly through the passage in 1927 of the federal Old Age Pension Act. The Canadian provinces did not all adopt their pension legislation until 1936.¹⁸ While it was a significant step in social progress, the Old Age Pension Act contained restrictions and weaknesses characteristic of any non-universal social welfare program. Residency requirements, means tests and strict responsibility of children for the welfare of their parents impaired the act, which remained unamended until 1952.¹⁹

In 1919 the Unionist government introduced several progressive measures for federal aid to the provinces for home construction and the costs of relief. It also established a national employment service to replace the predatory private employment agencies that trapped unskilled workers in dangerous, low paying jobs in frontier areas.²⁰ The Unionist government had made its moves toward the welfare state under the spector of widespread industrial unrest so vividly illustrated by the 1919 Winnipeg General Strike. Its reforms came undone as the political climate became more conservative in the 1920s and as the prospect of labour radicalism and militancy declined. William Lyon Mackenzie King, who became Prime Minister 1921, terminated federal relief grants to the provinces on the grounds that relief was a provincial responsibility. His administration gutted the Employment Service of Canada through staff cuts, and left it incapable



FIGURE 1. Early 1930s homeless in Vancouver. Rev. Andrew Roddan of the First United Church distributing food to unemployed transients in an area known as “the Jungle” near the city dump in Vancouver’s False Creek district, September 1931.

SOURCE: Vancouver City Archives.

of measuring the extent of unemployment. King's predecessor, Arthur Meighen, had abolished the Commission of Conservation. Moreover, Members of Parliament typically argued that the unemployed were men who could “not get away from the pool room, the movies, and the bright lights” and go out “into the open spaces” as had the presumably more hardy immigrants of earlier times.²¹

As had been the case before the First World War, action on the housing issue epitomized the reluctance of Canadian politicians to introduce and maintain social security measures. The federal soldiers’ housing scheme of 1919 resulted in only 6,244 homes, and the federal government terminated the scheme in 1923 after an increase in private residential starts. While politicians became silent on housing issues, social workers tended to attack the poor as the architects of their own housing woes. An article in a Canadian social welfare journal appropriately entitled “The Social Worker’s Attitude to Housing” asserted that improvements in the housing conditions of the poor depended upon moving “to another section of the city” persons who needed to be freed of the corrupting “lure of friends and familiar places.”²²

2. THE GREAT DEPRESSION: INTERNMENT CAMPS AND “MAINTAINING THE WORK ETHIC”

The Great Depression prompted the return of federal cost sharing of relief payments with the provinces. Still, cost

sharing arrangements were so haphazard that they challenged the financial solvency of many municipalities and some of the provinces. The jurisdictional disputes between the federal and provincial governments were “solved” politically when the wily W.L.M. King placed them in the hands of the Royal Commission on Dominion Provincial Relations (the Rowell-Sirois Commission) which conveniently did not report until World War Two.

The burden of these jurisdictional disputes was placed squarely on the homeless and unemployed. Throughout the depression, nationally sponsored enquiries which maintained that labour’s standard of living constituted a threat to the work ethic diminished the meager gains achieved by the unemployed through local political activism. Federal government moves to regulate relief always urged the provinces to compel their municipalities to cut relief costs to a minimum.²³

The proliferation of ideas in the 1930s for a comprehensive approach to social security achieved few results. The only new threads in the meager social security net were war veterans’ allowances and pensions for the blind. They subjected individuals to the same means test procedure established for old age pensions. By the end of the depression, only 25,000 people had benefited from these measures.²⁴

The gap between bold new approaches advocated by reformers and measures actually implemented by govern-

FIGURE 2. Part of a shanty town for homeless unemployed in Vancouver. Rev. Andrew Roddan of the First United Church, active in relief efforts in the city, is standing at the left.

SOURCE: Vancouver City Archives.



ment was most discernible in the housing field. Only Canadians in the top twenty per cent of the income range could afford the few government assisted housing programs initiated during the depression.²⁵

The depression did force many Canadian professional and business groups to discover the reality of poverty in their nation. In particular, the collapse of the Canadian construction industry, which brought unemployment or loss of income to the architects, engineers, building contractors and trade unions involved in residential construction, stimulated this improved vision.

The new, socially aware approach to housing, which called for the establishment of a minimum standard of shelter for Canadian families, promised to provide employment for groups supporting social housing. Even socialist activists, like Humphrey Carver, the League for Social Reconstruction's leading formulator of housing policy, promoted housing programs as a "profitable" expenditure. In addition to noting that government housing programs would yield "healthier and happier living conditions for many of the country's workers" and "less repressive environments for their children," Carver argued that Canada had "the technicians, architects, surveyors, draughtsmen" to do this job, many having long since graduated "without having found the jobs for which they are trained."²⁶ Although Carver was a supporter of the socialist Co-operative Commonwealth

Federation, his outlook was essentially the same as that of the Canadian Construction Association in this period. Indeed, public housing found its most prominent supporters in the 1930s among many establishment figures associated with the building materials and construction sectors.

Despite the architectural competitions for low cost housing designs, the continual prodding of mortgage lenders, and the devising of innovative schemes, such as the sale of municipal lots at nominal prices to buyers of low cost houses, federal housing programs could not achieve a breakthrough in becoming accessible to the majority of Canadian families. Most federally assisted housing was built in exclusive suburbs, often on the basis of racially restrictive residential covenants. Federal intervention encouraged a mythology of the right of a middle class Canadian family not only to own a home but to possess a newly constructed one in a suburban tract, built according to National Housing Act (NHA) standards and financed by an NHA subsidized loan. This created a growing lobby for mortgage assistance. By 1940, the federal government found, to its surprise, a lobby composed of small builders, real estate interests and building supply companies strong enough to force it to cancel its plans for suspending NHA lending activity. Subsidizing middle class home ownership during the depression helped foster a redirection of public attention away from the basic concerns of adequate shelter at affordable costs to the assumed right of the upwardly mobile to a newly constructed NHA home.²⁷

One of the common arguments used to rationalize the hardships faced by destitute families was the claim that the greed of rapacious landlords was wasting relief payments. This argument ignored the findings of housing surveys conducted during the depression which generally found that landlords were not receiving enough income from relief rents to maintain their properties in an adequate state of repair. The Montreal housing survey of 1935 found that, although relief payments per family could not exceed \$12 a month, landlords would need \$30 a month to obtain a fair return.²⁸

The federal government achieved a reduction in relief costs by using the logic of the period's leading social welfare expert, Charlotte Whitton, who argued that it was a national disgrace for the federal government to pay \$14 million for such poor quality accommodation. Inverting her usual arguments that relief recipients were using their allowance in a wasteful manner, Whitton maintained that rapacious "housing harpies" and "vultures" were exploiting them and the federal government. She alleged that such landlords preyed upon the "apathy and despair" of tenants. By portraying landlords in an unrealistically sinister fashion, Whitton achieved a further increase in the housing plight of relief families by lowering relief payments intended to pay for shelter. Such moves increased the incidence of homelessness by fostering evictions and doubling up.²⁹

Some landlords cushioned the blows of the depression by delaying the evictions of unemployed tenants. In 1932, the Ontario Committee on Unemployment and Relief declared that "the willingness of landlords to permit tenants to go many months without paying rents" had prevented the "wholesale evictions of families." Often private charities served to mediate disputes between landlords and tenants on relief. If this failed, such agencies would try to "find new quarters owned by a more kindhearted landlord."³⁰

The housing studies of the depression era generally concluded that the answer to the housing problem was the construction of subsidized low rental housing. This would bridge the gap between what it cost to provide safe, warm, sanitary and uncrowded housing at rents which tenants could afford to pay without sacrificing other necessities of life. Typical of the many studies was the 1935 Montreal housing survey conducted jointly by the Civic Improvement League and the Montreal Board of Trade. It asserted that "the cost to the community at large of leaving the low income groups, to find accommodation in deteriorated structures" was "not economically sound." Housing subsidies were cheaper than "under-nourishment, tuberculosis, hospitalization, destitution, with their attendant social costs." They would also "release working class purchasing power for other necessities, comforts and conveniences of life."³¹

Despite its support by such a mainstream organization as the Montreal Board of Trade, the federal government would not accept this analysis and remedy of the housing problem

until the passage of amendments to the National Housing Act in 1949. Even after acceptance of the principle of subsidized housing, the level of production would remain at a token level until the passage of the 1964 NHA amendments.³²

While the social welfare pioneers of the 1930s did sketch the outlines of a solution to the housing plight of low income families, they did not consider the plight of the nation's homeless single unemployed as a shelter problem. In 1932 federal officials estimated that there were at least 70,000 "single homeless unemployed males" drifting about the country in search of work.³³ Moreover, the number of single unemployed not classified as homeless was two or three times this number. The housing surveys of the depression period all ignored the housing conditions of the single unemployed person.

Municipalities housed homeless single men in "rough and ready" hostels. In one case, men stayed in "a very small basement, fourteen by twenty, with double bunks" devoid of blankets. Usually, municipalities made no provision for the homeless except for permitting them to spend the night in their jails. Frequently in such circumstances they would have to "lie on floors without bed or bedding other than they supply themselves." One municipal hostel consisted of "a large room above a garage" with "beds made from two by four lumber with chicken wire netting." Elsewhere, a city set up a shelter in an abandoned jail after fumigating it in an attempt to "kill off the roaches and insects which infested the building."³⁴

Severe as they were, the shelters provided the only form of relief to single persons at the beginning of the depression. They remained open only out of the fear that exposure to the cold would endanger the lives of larger numbers of transients. In the summer months, the shelters closed down. The homeless then had to "sleep out of doors" and "obtain their food from begging." In 1932, the Ontario government became concerned that "bands of idle men roaming about the country" represented a "threat to the peace of the community." However, transience posed the greatest risk to the lives of the transients themselves. In 1938 alone, railway accidents killed 120 transients and injured 202 others.³⁵

The denial of relief by municipalities to homeless persons sparked a series of political crises in which authorities kicked the homeless from overcrowded hostels to federal relief camps, then to farms and summer railway construction, and finally to provincial relief camps.

While chiefs of police, municipalities, and provincial governments had long advocated the establishment of "internment camps" for the single unemployed, the parsimonious Charlotte Whitton significantly influenced the form such camps eventually took. She warned Prime Minister R.B. Bennett that the estimated 100,000 homeless transients in

western Canada were forming a "movement" that was "a menace to law, order, property and security." Bennett accepted her advice that an "experienced military officer" be placed in charge of a system of "concentration camps." Here the physically fit, single, homeless males would be put to work under "semi-military discipline" in camps administered by the Department of Defence rather than the Department of Labour.³⁶

The "experienced military officer" selected by Prime Minister Bennett to run the camps, General Charles McNaughton, viewed his mission as one of keeping the homeless alive till they were needed for the labour force without having to resort to "the use of troops and firearms to quell disturbances." In 1934, McNaughton wrote that "Our purpose is not to attempt to care for 100 per cent of the single homeless men but to reduce the numbers in the larger centres of population to the point that they do not constitute a menace to the civil authorities."³⁷ The homeless were fed and clothed and given a nominal twenty cents a day for luxuries not provided by their army rations. If they left the camps for reasons other than to accept employment, they made themselves ineligible for relief. With a mixture of coercion, attraction, confinement, and the prospect of release upon obtaining work, the relief camps functioned as a strange cross between a hotel and a prison.³⁸

Although intended to quell political protest, the national relief camps became schools for communism. Agitation by Communists continued to mount even after the famous "On to Ottawa Trek" which culminated in the Regina riot. At the time of the closing of the camps, the Department of National Defence warned the King government that the Communist party was planning a general strike of relief workers. According to its informants, it would be co-ordinated with "a strike of ship and dock workers at Canadian and American ports" with the goal of the "suspension of maritime transport."³⁹

King's government closed the relief camps and discharged many men because they refused to accept agricultural labour. Persuaded by the provision of work in railway construction, some 8,000 men left the camps in the summer of 1936. The government took the view that savings from this summer employment "ought to enable them to provide for themselves over the coming winter."⁴⁰

King's substitution of a farm placement scheme and temporary railway construction program for relief camps was part of an economy drive that sought to cut relief costs without mounting a public works program. This drive included a reduction by 25 per cent of federal grants in aid to relief and ultimately led to mean spirited municipal actions. For instance, the Ottawa Public Welfare Board fired 40 female social workers and replaced them with eleven male detectives who investigated allegations of welfare fraud.⁴¹



FIGURE 3. A poster distributed by the Province of Manitoba and the City of Winnipeg in September 1934 warning physically fit unemployed single men that they were not eligible for relief and that they should not try to stay in the cities and towns during the winter months.

SOURCE: Public Archives of Canada.

The problem of homeless single men continued to lead to political crises. British Columbia decided to continue the federal relief camps for two years. The province paid regular wages and gave its forestry and road building camps an "appearance of normal works undertakings." The closure of the camps in the summer months resulted in increased arrests and convictions for begging in Vancouver.⁴² Large numbers of homeless men reportedly moved to Edmonton and Calgary in anticipation of the \$15 a month dividends promised by the new Social Credit government. In 1936, 1,400 transients moved to Calgary when the summer railway

construction projects ended. Local officials fretted that "panhandlers" were present "on every downtown street corner" and had even started "to invade the residential districts." With the advent of colder weather many transients began to sleep in railway freight cars. The Social Credit government, which had urged federal relief camps with greater military discipline, established its own system of relief camps. It kept one camp open in the summer "as an outlet for possible trouble."⁴³

Financial pressures on the British Columbia government led to the closure of its road and forestry camps. This action resulted in the dramatic occupation of the Vancouver Post Office and Art Gallery by some 600 homeless men. Denied relief, these men were offered train fare out of British Columbia. Premier T.D. Pattullo warned King that workers in various industries were threatening to go out in a sympathy strike in support of the homeless. This crisis was settled after the federal government agreed to pay the relief costs of single persons who had moved to British Columbia.⁴⁴

3. RESISTING THE RISE OF THE WELFARE STATE DURING WORLD WAR II

Prime Minister King's movement toward the welfare state during the Second World War ignored the recommendations of the Rowell-Sirois report for a statesmanly division of federal-provincial responsibilities and proceeded in a highly opportunistic fashion. The federal government seized the self-financing area of unemployment insurance, while the provinces assumed the costs of relief. King and his advisors in the Department of Finance achieved this federal coup by manipulating public sentiment favourable to the national government during a time of war.

King delayed the adoption of unemployment insurance (UI) during the depression when it seemed likely that high unemployment rates would cause it to be subsidized by federal taxpayers. During the war years, he and the Department of Finance quickly seized the initiative when it appeared that UI would be an important source of government revenue. A 1940 Department of Finance memo pointed out that in wartime UI would "act as a scheme of compulsory savings." It would make these savings "available for government use, just as if individual workers bought saving certificates." Such forced savings would also "hold down consumption and make labour, equipment and resources available for the war effort."⁴⁵

The opportunistic adoption of unemployment insurance by the federal government mitigated against its use as part of a comprehensive policy for social security. In its original form, the scheme exempted industries like agriculture, forestry, fishing, logging, transit, and stevedoring which were seasonal in nature and which contributed significantly to poverty and homelessness.⁴⁶

Advocates of comprehensive social insurance within the federal civil service viewed the division of federal-provincial relations achieved by the implementation of unemployment insurance as a "backward" step. The scheme would cover 25 per cent of the unemployed in a period of increased unemployment. By leaving relief to the provinces "a major part of the unemployed . . . those least able to care for themselves" would remain "in the hands of provincial and local governments of widely varying capacity to support them." The benefits to even the highest paid workers under the scheme could not maintain a standard of living above any reasonable definition of the poverty line.⁴⁷

The Department of Labour's Dominion Relief Commissioner, Harry Hereford, attempted to use the implementation of unemployment insurance and the favourable opportunity created by the low wartime level of relief costs, to develop a comprehensive federal-provincial program of assistance to the unemployed. He urged that the Canadian Welfare Council develop social assistance guidelines for joint federal-provincial relief, which would include model budgets and standards to improve relief distribution.⁴⁸

However, the Department of Finance jettisoned this effort by the Department of Labour to develop a comprehensive approach to the problem of unemployment assistance. On 7 February 1940, Finance Minister J.L. Ralston wrote to Labour Minister Normal McLarty along lines suggested by his Deputy-Minister, W.C. Clark, that "we must impress on the provinces the necessity and the advantage of special efforts to get relief recipients into employment."⁴⁹ Federal assistance for relief costs was simply ended when the Unemployment and Agricultural Assistance legislation expired on 31 March 1940. Ottawa told provincial governments to assume the total burden of relief costs as part of their contribution to the war effort.⁵⁰

In general, provincial governments used the termination of federal contributions as a pretext for abolishing their own assistance for relief costs. Municipalities responded in turn by refusing relief to anyone deemed "employable." Consequently, areas which suffered from seasonal or localized employment problems encountered extreme distress. In Nova Scotia, a bad fishing season meant that families were "literally going hungry." In Alberta, where no war industries existed, unemployment among male heads of families still persisted. However, the Social Credit government told municipalities to throw "off relief all able-bodied men under sixty" and reject applications "from men and women under sixty." The provincial relief department took the view that social work was one of "the greatest enemies of democracy." Even before the end of federal relief assistance, Montreal's private charities were overburdened. The French Federation Community Chest experienced "a 30% jump in its load in 30 days" and "had to turn hundreds away." In Montreal women were "cut off unemployment relief entirely."⁵¹

Having rejected the opportunity for establishing a national social security net, King's government likewise ignored the recommendations of the Advisory Committee on Post-War Reconstruction. It used family allowances in the same opportunistic fashion as unemployment insurance and avoided the public demand for comprehensive social insurance.

The dramatic increase in labour's organization and class consciousness during the Second World War unleashed an unexpected threat to the Liberal government in the form of the CCF. Opinion polls during the war, especially after the CCF's upset victory in the 1942 York South by-election, showed popular support for democratic socialists to be equal to the Liberals and Progressive Conservatives.⁵² In August 1943, the CCF became the official opposition in Ontario, and, ten months later in Saskatchewan, it formed its first provincial government. The Minister of Pensions and National Health, Ian Mackenzie, who was the leading champion of social reform within the Liberal cabinet, warned King of the "national political menace" posed by "socialism across Canada." In July 1943, the future Minister of National Health and Welfare, Brooke Claxton, told the Prime Minister that "post-war problems lead all others in public interest among all classes — war workers, farmers, industrialists." He argued that having seen economic planning and full employment in war, Canadians would demand it in peace.⁵³

Appointed by Ian Mackenzie in March of 1941, the Advisory Committee on Post-War Reconstruction (the James Committee) collided head-on with the government in the following year when it recommended the creation of a Ministry of Economic Planning.⁵⁴ The Committee's members were largely prominent Canadian academics, and Dr. Leonard Marsh, formerly a colleague of Britain's William Beveridge, a McGill University economist, and a League for Social Reconstruction activist, headed the Committee's research staff and wrote its final report. Historians have portrayed the conflicts between the Committee and W.C. Clark's Economic Advisory Committee as part of an inevitable struggle between outside experts and an entrenched bureaucratic elite. This interpretation diminishes the impact of these conflicts on the future direction of Canadian society.⁵⁵ As Marsh's *Report on Social Security* indicates, the James Committee sought to establish quickly a national program of comprehensive social insurance. Despite support from within the civil service for such a program, W.C. Clark and W.L.M. King vigorously opposed the Committee's objectives and recommendations. Together they would put forward a reform package broad enough to ensure the continued political survival of the Liberal party, but narrow enough to prevent the implementation of the James Committee's vision of a far-reaching Canadian version of the British Beveridge plan for social welfare.

Advocacy of health insurance stemmed not only from Marsh's report but from Mackenzie, civil servants in the Department of Pensions and National Health, and the Dominion Council of Health. The Canadian Medical Association and fourteen national associations met with Dr. J.J. Heagerty, Director of Public Health Services, and established health insurance committees to work on a suitable national plan. In February 1942, the federal government set up an Interdepartmental Advisory Committee on Health Insurance composed of Dr. Heagerty, six experts from the Dominion Bureau of Statistics, an actuary from the Department of Trade and Commerce, an economist, and a legal advisor.⁵⁶ Heagerty's committee wrote the most substantial study on Canadian health services ever prepared up to that time. It drafted legislation for a national program of health insurance which Ian Mackenzie presented to Cabinet on 8 January 1943.⁵⁷

Clark's Economic Advisory Committee disposed of national health insurance as swiftly as it defeated the creation of a Ministry of Economic Planning. On 20 January 1943, it told King that the proposed legislation should "be deferred for further study." Mackenzie protested to King that Clark's report was "a stalling by a financial group of two years' work done in the Health Department." On 22 January, Heagerty and the Trade and Commerce Department actuary on the Health Committee, A.D. Watson, argued in Cabinet in favour of legislation for health insurance. Yet, as King noted favourably in his diary, Cabinet defeated their proposals when "Clark gave arguments against." For the remainder of his career, Clark thwarted action on health insurance by insisting that its implementation depended upon new arrangements for old age pensions and upon adjustments in federal-provincial financial relationships.⁵⁸

What upset the Department of Finance most about the James Committee recommendations was the advice of its subcommittee on housing and community planning, chaired by Dr. C.A. Curtis, a professor of economics at Queen's University, who had been a close advisor to King on monetary matters.⁵⁹ Some of the most perceptive and progressive champions of social housing innovations in Canada were members of Curtis' subcommittee. They included: George Mooney, former CCF candidate, friend of Norman Bethune, and Secretary of the Canadian Federation of Mayors and Municipalities; S.H. Prince, sociologist, Anglican priest, and Chairman of the Nova Scotia Housing Commission; Eric Arthur, distinguished Canadian architect; and B.H. Higgins, McGill professor of Economics and former American New Deal Public Housing Administrator. George Mooney, for example, called for a "courageous" federal post-war housing policy which assured "every Canadian family minimum decent shelter." He urged that the "days of jerry-built housing and speculative 'high profit-low cost' real estate promotion" should not come to "post-war Canada." He pressed for "revolutionary neighbourhood replanning" to

provide “inner-park area, playgrounds, day nurseries, laundry facilities, indoor recreation facilities and the like.”⁶⁰

Composed of social housing enthusiasts, the Curtis subcommittee inevitably presented proposals that were an anathema to W.C. Clark, who had fought these same ideas during the depression. He particularly opposed the subcommittee’s support for a widespread program of federally financed and municipally managed public housing projects.⁶¹

The Curtis Subcommittee argued for a program of subsidized rental housing for the lower two-thirds of tenant families in urban Canada. It maintained that the incomes of these families were too small to afford private market accommodation. It accepted the conclusions of economist Dr. O.J. Firestone (later economic advisor to the Central Mortgage and Housing Corporation) that the “basic problem” of housing in Canada was the large proportion of the population “which cannot afford to pay rents which would make house-building a commercial proposition.” Such families faced the unhappy choice of living in overcrowded conditions or of sacrificing food or other necessities for a healthy life.⁶²

Clark’s memorandums, in response to the Curtis recommendations, did not dispute the subcommittee’s contention that subsidies were needed to make adequate shelter affordable for many Canadians. Instead, he told the federal Cabinet that with “children’s allowances on anything like an adequate scale, it should be possible to avoid” having “municipally constructed and municipally managed low rental housing projects.”⁶³

Marsh maintained that both family allowances and shelter subsidies were necessary to lift low income Canadians from lives of poverty. Clark did not provide detailed breakdowns to illustrate any errors in Marsh’s calculations, but he stressed the political superiority of his approach. Louis St. Laurent repeated this outlook when he characterized public housing as “a vast Tammany Hall organization with its ensuing corruption.” Three years after the 1944 passage of family allowance legislation, he explained to the McGill Liberal Club how the government had studied the matter of subsidized housing “together with family allowances and had decided upon the latter plan.” “[S]ince the number of children alone determined the amount of the allowance, there would be no favouritism.” The federal government also cleverly used the threat of socialized housing to win the support of the business community for family allowances. Bank of Canada officials told the Financial Post that the only alternative to family allowances was “the socialization of the entire building industry.”⁶⁴

Family allowances represented a conservative response to popular pressure for post-war social security measures to prevent a return to the widespread destitution and homeless-

ness of the depression years. It was the least challenging of any of the measures of social welfare touted at the time.

Having used the threat of socialized housing to win approval for family allowances, Clark gained King’s and the Cabinet’s consent to keep such a controversial matter out of the 1944 National Housing Act. This strategy allowed him to draft legislation for low rental shelter that was restricted to limited dividend projects. Still, like the provisions that Clark made for such housing in the 1935 and 1938 housing acts, this initiative was unworkable. Private investor financed limited dividend housing was built only after 1948 when the NHA was amended to make the program more attractive. Thus, the 1944 NHA simply repeated the depression era housing legislation for joint mortgage loans and once again subsidized housing that was too expensive for most Canadian families.⁶⁵

4. RESISTING SOCIAL HOUSING PROGRAMS DURING THE 1940s AND 1950s

Although the wartime economy and military recruitment had removed the problem of single, unemployed, transient men, it resulted in a shift in the nature of homelessness. Families faced the most acute shelter problem during and after World War Two. The war generated severe competition for living space in the rapidly expanding urban centres. The impact of the sale of housing to owners during wartime prosperity was a serious crisis over evictions. Wartime Prices and Trade Board (WPTB) officials saw that “war workers who have migrated from the country to the city . . . bought houses over the heads of such tenants as milkmen, postmen, servicemen and the like, whose incomes have not benefited from the wartime wage.” Also, manufacturers who “obtained lucrative war contracts” purchased homes “over the heads of such tenants as middle-class salary earners in banks, insurance companies, department stores, railways and the like, whose salaries have been frozen and thus [are] unable to defend their tenure by buying the home.”⁶⁶

The key cause of homelessness during World War Two was the acute shortage of rental housing and the insecurity of rental tenure. The principal battle with respect to rent control was not the level of rent charged but rather the sale of rental property to home buyers in a hot real estate market when profits from such sales could be enormous.

Regulations concerning the security of rental tenure changed throughout the course of the war and reflected the ebb and flow of the political clout of landlords and tenants. In 1942, the WPTB became concerned about the interpretation of its regulations. The Board intended that repossession of a house would only occur when the landlord or his family members “urgently needed” housing. Yet the courts began to permit evictions solely on the owner’s “desire” for change. Consequently, on 1 December 1942, the WPTB issued Order

No. 211 which allowed repossession only if a landlord "needed the accommodation for *personal occupation* as his residence for a period of at least one year." Evictions could no longer occur on the basis of the needs of the landlords' relatives. Furthermore, tenants could require landlords to prove to a civil judge that the residence was in fact needed as a personal home. An unpublished history of rent controls prepared internally by the WPTB noted that this measure proved "extremely popular with the tenant-class and equally unpopular with landlords and real estate agents."⁶⁷

The end of profitable opportunities for real estate trading brought about by Order No. 211 resulted in a storm of protest by "the real estate fraternity, by property managers and by landlords." Their energetic lobbying forced the government to reverse the order by the summer of 1943. Mrs. Taylor, Secretary of the WPTB, advised Board Chairman Donald Gordon that:

during the past two weeks we have received between 75 and 100 letters from Real Estate Agents, Property Owners' Associations and from persons who administer property on a professional basis, protesting usually in very strong terms against the requirements of one year's notice to present occupants in the case of the sale of residential property.

H.E. Manning, a lobbyist for the Toronto Real Estate Board (and a well known author of anti-public housing tracts) sent telegrams to real Estate Agents' Associations and Property Owners' Associations "urging them to protest strongly and violently against this regulation."⁶⁸

The result of this pressure was WPTB Order No. 294 that allowed landlords to evict well-behaved tenants in six months if a landlord indicated a "desire" to use the property for a residence for himself, "his father or mother, his son, daughter or daughter-in-law." This undefinable "desire" could be based "on nothing more tangible than the whim of the landlord." Accordingly, the courts could not enforce regulations requiring that the landlord or his relatives actually live in the repossessed home. Order No. 294 meant that "real estate agents seized upon the easy opportunity of selling houses" and evictions increased and the rental stock declined.⁶⁹

Other loopholes made possible the evasion of rental regulations. In Halifax "many kinds of space subdivisions were created, varying all the way from substantial structural alterations down to imaginary lines separating one family from another." In "the pressure and confusion of makeshift arrangements for housing of a multitude of people," grievance officers could not discover or prove what the rental was for a room or a section of a house at the time rent controls came into effect. Under such circumstances, landlords evaded controls by charging the same rental while diminishing the space given to a tenant. In the conditions of a "black rent

market," tenants would hesitate to report overcharging out of fear of eviction. In Halifax "hundreds" of appeals for legal assistance from tenants who received notices to quit reached WPTB officials.⁷⁰

Rent control administrators, many of whom came from the real estate industry, sympathized with their former colleagues. During a particular rental crisis in May 1942, Rental Administrator Owen Lobley complained to the Department of Finance that the 55,000 people that May "with nowhere to go" aroused "false sympathy." Lobley regarded the housing shortage as a simple product of the impact of the war's higher incomes on working class families. Previously low incomes during the depression had encouraged families to double up. Now greater affluence had provoked a tight rental market. Even if Montreal's poor were "a little crowded," they were "much better off than in Singapore and Hong Kong."⁷¹

On 1 May 1944, Canadian cities would experience the full impact of the flexible provisions for eviction of tenants announced in the summer of 1943. The WPTB realized by late November 1943 that in Montreal alone some 5,000 notices to vacate had been issued and would come due on the first of May. The eviction issue led Montreal tenants to become "alarmed" and inspired them to take "concerted action in their own defence." One Montreal city councillor, a member of the CCF, "organized meetings of tenants and urged a sit-down strike." Some five hundred "tenants attended his first meeting." Later protests staged during December 1943 were "equally well attended."⁷²

On 4 January 1944, as a result of tenant protests, the WPTB issued Order No. 358 which declared notices to vacate in multiple family dwellings as "null and void." The board decided that the "anticipated outcry, from the landlord class, while not politically desirable," appeared to be "a lesser problem" than an anticipated "sit-down strike" by tenants. Evictions of well behaved tenants now would only take place if the landlord could prove he was "not already in occupation of housing accommodation in that building or in another multiple family building owned by him in the same municipality."⁷³

W.C. Clark regarded the hardships caused by increased housing shortages a necessary wartime sacrifice. In addition to dismissing the "lowering of housing standards" as part of the "price of the war," Clark viewed the growing residential construction backlog as making "a fine contribution" to the likely solution of post-war employment problems. Events modified this position somewhat in 1941-42 when labour shortages sparked a major public rental housing construction program by a newly established crown corporation, Wartime Housing Limited. After significant protests by real estate agents and building supply dealers, Clark persuaded C.D. Howe, the Minister of Munitions and Supply, to have Wartime Housing's building program sharply curtailed.⁷⁴

In 1943, housing shortages created problems of homelessness so severe as to exceed even Clark's view of what was an acceptable sacrifice for the civilian population in wartime. In Montreal "respectable middle class families" were forced to convert stores into homes. another 420 families in the city lived in "garages, empty warehouses, sheds and shacks." Some 4,000 families were "doubled up," while another 300 families "tripled up." Cellars, "summer cottages, tourist camps, trailers" and "boats and yachts tied up at local warehouses" became emergency family accommodation. Federal officials found that such arrangements encouraged "the breaking up of families, absenteeism, crime, child delinquency." Evictions caused severe hardship. In such circumstances children frequently had to "be divided, some staying with relatives and the small children being placed in the care of children's aid."⁷⁵ In Hamilton, a former shirt factory was converted into an emergency hostel for families with children.⁷⁶

The continuing housing shortage resulted in the federal decision to appoint Emergency Shelter administrators in selected Canadian cities in January 1944. These officials were given authority to prevent "unnecessary movements of Armed Forces personnel," to take possession of unused shelter, and to prevent the "non-essential in-migration into congested areas." The government also strengthened tenants' rights. Landlords could no longer refuse to let to tenants "on the grounds that they have children." A permit system was developed for "all persons seeking family accommodation," who wished to move to Ottawa, Toronto, Vancouver, Victoria, Hamilton, Hull and Halifax.⁷⁷

Despite the severe controls imposed in December 1944, the problem of homelessness among families escalated to the point where the government developed a special Emergency Shelter program. The Emergency Shelter regulations first developed for selected congested centres eventually became applicable to the whole country because "in effect all Canada" had become "a congested area." Regional emergency shelter controllers could force any vacant home to be placed on the rental market.⁷⁸ The federal government also financed the building of temporary shelters for the homeless by municipal governments.

Instructions issued to the Emergency Shelter Administrators reveal the painfully acute nature of the immediate post-war housing shortage. Administrators were to concentrate exclusively on cases of homelessness. Unless a family was homeless or was soon to be "without shelter of any kind," the Administrators were to "frankly and honestly express your inability to be of assistance." With "the odd case" where a family was housed in "pathetic circumstances," the Administrator might feel "compelled to do something for it." Still, these "extenuating circumstances" must be of "a most unusual nature." According to the Emergency Shelter Administration's Co-ordinator, Eric Gold, with any depar-

ture from the "restricted class of homeless" the government would be:

confronted with countless families suffering inconvenience, inadequacy, discomfort, etc., whom we are totally unable to help and whom we must recognize can only be assisted by the construction of more houses.⁷⁹

In 1946, Rental Controls Administrator J.F. Parkinson observed that "by and large, the problem of shelter is being temporarily solved only by compressing more and more people into the same cubic space of living accommodation, at the cost of widespread inconvenience and distress." In February of that year, some 200,000 households in the nation were doubling or even tripling up. Parkinson observed that families had been forced to live in "basements, garages, tourist cabins, trailers, reconverted chicken-coops, boats and indeed, in anything that will hold a bed." The growing use of temporary shelters simply mirrored the high incidence of homelessness. In 1945, the federal government had funded 1,051 units of emergency shelter; by 1946, this figure had risen to 4,642.⁸⁰ Despite the spartan quality of most emergency shelters, they usually had lengthy waiting lists.⁸¹

Central Mortgage and Housing Corporation (CMHC), which eventually absorbed the Emergency Shelter Administration, upheld a strict ideal of what constituted the best emergency shelter. It would keep tenants "warm and dry," with enough "space and essential facilities so that a good standard of health and morale" was maintained. Although these model projects provided "poor facilities for storing food," raising tenants' costs through "small quantity purchasing and storage," CMHC President David Mansur felt that such sacrifices were necessary: the design of an emergency shelter was not to provide "all the comforts of a community home." To do so would encourage tenants to settle in and to cease searching for private market housing.⁸²

Although CMHC's accepted standard of emergency shelter was minimal, much of the accommodation fell below this level. According to Mansur, some resembled the "cellars, chicken coops, garages, etc." from which the homeless had fled. Although Emergency Shelter mostly converted army barracks and staff houses into temporary lodging, it occasionally turned "winterized cottages, auto courts and new constructed cabins, old hotels, homes and hospitals" into housing. Sometimes a municipality would simply give "a group of distressed families possession of a vacant building" and leave them to "provide for themselves." Mansur told Howe of projects where families would be:

herded together in an abandoned immigration shed, right along side the railway yards, where children have no place to play but the hallways of the building and where the building is infested with vermin and people live in ultimate squalor.

Mansur believed that although these poor quality projects provided "four walls and a roof," they made "no contribution towards normal healthy living for tenants." In such circumstances, CMHC commonly found "marital upsets, poor health, juvenile delinquency, and isolation from normal social contacts."⁸³

While CMHC did prod municipalities like Winnipeg to provide more superior housing than their converted "immigrant sheds," it also discouraged municipalities from supplying better housing than was the norm in the private marketplace. To prevent such "luxurious projects," CMHC established a conversion cost ceiling of \$1,000 per unit. Administrators were to prohibit "any degree of convenience and comfort" in emergency shelters. In Hamilton, conversion costs amounted to over \$2,000 per unit. In response, CMHC limited its grant to \$500 per unit. The city consequently refused to proceed with more conversions unless CMHC increased its grant. In turn, CMHC decided to augment its grant if the city of Hamilton ensured that "construction costs were minimized."⁸⁴

When the federal government terminated its emergency shelter program in 1948 and its veterans' rental housing construction program in 1949, it had only a small scale public housing program to assist low income families despite the fact that the severity of the post-war housing shortage continued into the mid-1950s. The highly conservative Alberta and Manitoba governments prevented any public housing from being built until the 1960s. The total number of public housing units built in Canada from 1949 to 1964 was only 11,000.⁸⁵

Until the rental housing shortage eased in the late 1950s, municipalities continued to operate emergency shelters without federal assistance. Such shelters were often former barracks, long wooden buildings, that were covered with tarpaper and divided into "tiny three room apartments by flimsy fibre board partitions." These buildings might house ten to twelve families with fifty to sixty children. Eventually redevelopment or public shame about what were termed city-owned slums shut down emergency accommodation. Municipalities ordinarily made decisions to close shelters without consulting the tenants. Moreover, in Halifax, the difficulty in obtaining affordable rental housing for families meant that the children of shelter residents were divided up between the City Home, Children's Aid, and St. Joseph Orphanage.⁸⁶

Public housing was such a small scale program that it had little impact even where it existed. In general, families receiving welfare were ineligible for public housing. Even so, waiting lists were long. When Vancouver's 224-unit Little Mountain public housing complex was opened in 1954, the Vancouver Housing Authority admitted only a third of the eligible families, and the waiting list in the mid-1950s numbered over 400. Applicants usually lived in overcrowded or



FIGURE 4. David B. Mansur, CMHC President.

SOURCE: *Habitat*, Volume 8/9 (1966): 4.

substandard lodgings. As well, Vancouver's relief recipients, who did not qualify for public housing, faced serious shelter problems; on the average, they paid 37 per cent of their small allowances for accommodation. In 1951, the Vancouver Housing Association surveyed the city's single working women who were also ineligible for public housing and found that most of this group lived in lodging houses without heat or hotwater and with only a hot-plate for food preparation.⁸⁷

Gaping holes in the social security net of family allowances, means-tested pensions, and unemployment insurance established during the prosperity of the Second World War became apparent during the surge of unemployment following the end of the Korean War. Yet the only significant repairs to the net were the adoption of universal old age pensions in 1951 and the drop in age eligibility for blind persons from 40 to 18.⁸⁸

The most conspicuous lapse in the social security net was the absence of any public policy for the unemployed who qualified for employment. When the federal government terminated its grants in aid for provincial relief in 1941, most provinces followed suit and left the total costs of providing general welfare assistance with municipal governments.⁸⁹

Municipalities responded to the rise in unemployment with a parsimony characteristic of their attitudes at the

beginning of the great depression. In London, Ontario, in 1954, 235 families lived only on the support obtained from private charities: the city welfare department refused to assist them because their male heads of household were eligible for work. As in the 1930s, the inconsistent policies of municipalities in the relief field encouraged movements of the unemployed to cities with a better reputation for social welfare. The "flooded cities" reacted by cutting off general relief. In addition, families commonly broke up to meet the rules of private charities. They might live in rooming houses or give up their children to social service agencies. Fathers deserted their wives in order that their families could receive social assistance. Immigrants did not apply for welfare out of fear of immigration regulations which, as in the 1930s, permitted deportation by reason of a person's becoming a public charge. Refusal to extend relief to single homeless men led to frequent convictions for begging or vagrancy.

Public agencies and private charities frequently denied relief to transients who consumed alcohol; the only shelter for these men was a police cell. In the immediate post-war years, the federal government avoided the implementation of more comprehensive social security legislation partly because of the availability of wartime savings and accumulated unemployment insurance funds and army establishment credits. As these were gradually used up, welfare administrators reported that, in spite of hearing "heart rendering and pitiful stories of no jobs and nothing to eat," they were forced to turn all applicants away.⁸⁰

In 1956, the passage of the Unemployment Assistance Act by the federal government following a Dominion-Provincial conference partially closed the gap in the social security net. The Act provided for federal payment of fifty per cent of the cost of direct relief to employables who were covered in existing provincial programs of mothers' allowances and disability pensions.⁸¹

Provincial response to the new federal initiative was slow in coming. The Ontario government did not respond until two years later when it finally passed the 1958 General Welfare Assistance Act to replace the 1935 Unemployed Relief Act. The new legislation finally made unemployed persons eligible for public welfare allowances. Nevertheless, the Ontario government did not establish the regulations for the legislation until 1960. A Toronto Social Planning Council study that compared relief rates to family budgets under the new regulations found that half of the income of 412 cases went to pay rent. Rent allowances were unrealistically low, and families who exhausted their benefits on fixed costs such as utilities and rents, had to rely on private charities for such necessities as food and clothes.⁸²

Despite federal funding and provincial legislation, municipal assistance to homeless unemployed men remained as restricted as it had been earlier in the century. As late as 1961, a major study on homeless transient men conducted

by the Canadian Welfare Council concluded that "as a result of complications in municipal residency requirements, many without unemployment insurance and without established residence are denied public aid or given a very limited amount of it." Such homeless persons were "either forced to move on to other cities which may have more liberal policies, or must turn to the less secure and more spasmodic assistance provided by private and voluntary groups."⁸³

5. CONCLUSION

This journey through six decades of evidence relating to the nature of and the response to homelessness in Canada provides little support for a conclusion that the federal or the provincial governments ever made a serious attempt to meet critical shelter needs. It was socially, politically and economically expedient for Canadians who were in positions to make a difference to ignore time and again and often to deny the existence of substantial and well documented deprivation among their fellow Canadians. Appointed senior civil servants such as W.C. Clark played as important a role as elected officials and powerful lobby organizations in resisting measures aimed at relieving some of the worst conditions. At times, they directly contributed to worsening the housing situation in which many Canadians found themselves.

Most policy analysis is premised on what Marcuse calls the "myth of the benevolent state." The myth is that "government acts out of a primary concern for the welfare of all its citizens, that its policies represent an effort to find solutions to recognized social problems, and that government efforts fall short of complete success only because of lack of knowledge, countervailing selfish interests, incompetence, or lack of courage."⁸⁴ There is no record of benevolence when it came to meeting basic shelter needs. Income security and housing supply issues were limited to a role residual to that of the private market. Any assistance provided was of a gratuitous nature, not as a right, and was provided only when political expediency demanded action.

This residual role for state action is in harmony with the values of *laissez-faire* individualism, self-reliance, of the responsibility of the family to care for its own, and the "threat to freedom" posed by government action. The irony is that this residual role was applied only to the poor and to tenants. While the reformers who tried to have "benevolent" policies adopted for the homeless and for lower income tenants were merely voices crying in the wilderness, the Canadian government was establishing subsidized mortgages and home ownership as a right for all those who could afford it. By the late 1960s, almost four decades after the first federal housing program in 1919, the average family income of all borrowers under the National Housing Act was \$10,800 — more than seventy per cent of Canadian families earned less than that.⁸⁵ "In other words," according to a 1971 study on poverty, "the tax dollars of the working poor are being used

up to help the most affluent group in our society to purchase equity in their homes. This subsequently worsens the inequalities and distribution of wealth."⁹⁶

We must ask why the attempts to meet the needs of the homeless and the inadequately housed were so consistently and systematically resisted? Why did housing policy increasingly focus on subsidized home ownership for the middle class but only infrequently furnish a place for lower income households "to keep warm and dry" and never provide options for low income tenants? Much of the answer relates to the difference between social need and effective market demand. There is no possibility of finding a way to make it profitable for the private sector to serve the extremely poor. Assistance for the destitute is a social need which cannot be translated into market demand. On the other hand, the provision of subsidies and of changes in the mortgage system making possible the purchase of a single family house translates into the creation of effective (i.e., profitable) demand in the market-place. Meeting social needs is usually a minimal, temporary type of service offered on the basis of means tests at the discretion of the social welfare agency. In contrast, assisting home ownership has become a permanent part of Canada's housing system. It has been institutionalized, and it is taken for granted. Unlike social welfare and social housing programs, the total cost is seldom tallied and even more rarely debated.

"History is a stage," wrote Tawney, "where forces which are within human control contend and cooperate with forces which are not."⁹⁷ While much is not in the control of individual actors or even particular governments, there is much that is. Historical research affords a particularly close look at the policy-making environment because of the access historians have to the daily mail, the internal memos, and the minutes of meetings of the key players engaged in the decision-making process. This review of the failure of housing policy to address the shelter needs of all Canadians even though the means and resources existed or were among the forces "within human control," demonstrates the overwhelming strength of individualist objections to all forms of collectivist social legislation except when political expediency demanded otherwise and when the interventions ultimately served private gain.

In the course of this journey into the past, more than a few parallels with the present become evident. Canadian housing policy-makers have yet to tap those forces which are within human control. Until this is done, homelessness will continue to be one of the more dramatic manifestations of the failure of Canada's institutional arrangements to provide and allocate housing equitably.

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